INFORMATION LETTER

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N.C.A. Host to Food Editors at Conference in New York

Food editors of all of the principal metropolitan newspapers were entertained at their convention by the N.C.A. at the Waldorf-Astoria Hotel, in New York, the afternoon of September 27 in an hour's program.

This program was planned as a feature of the Association's Consumer and Trade Relations Program, and as such was a joint effort of the N.C.A. staff and Dudley-Anderson-Yutzy, the Association's public relations counsel. The program was planned to demonstrate to the food editors of the nation the importance of canned food in the consumer's diet, the canning industry's contribution to the national economy, and the service that the N.C.A. has to offer food editors in telling their story to the homemaker.

Katherine R. Smith, Director of the N.C.A. Consumer Service Division, served as master of ceremonies. Executive Secretary Carlos Campbell explained to the group how the canning industry fits into the national economy and the manner in which the Association is prepared to serve the food editors.

A new canned food kitchen service cabinet for the convenience of the

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USDA Invites Suggestions for Research Advisory Groups

USDA has invited interested organizations to submit suggestions concerning the federal program of agricultural research to the 25 USDA research and marketing advisory committees, which begin their tenth year of annual meetings next month.

The advisory groups, appointed by the Secretary of Agriculture under provisions of the Research and Marketing Act of 1946, represent all segments of the nation's agriculture. At their 1956-57 sessions, beginning in October and ending next March, committee members again will offer guidance to USDA in its planning of future research to improve the production, marketing, and utilization of agricultural products.

On behalf of the committees, the USDA encourages interested groups to submit written recommendations concerning farm and related industry problems that need research attention.

The N.C.A. Raw Products Research Bureau will welcome proposals for research on deciduous fruits, citrus fruits, vegetables, and seeds, and will forward them to the appropriate RMA advisory committee.

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Canning Industry's Place in Agricultural Economy Depicted

N.C.A. President William U. Hudson has outlined in a brief address the relationship of the canning industry in the agricultural economy and has given his opinion of why the industry has attained its important position.

The three most important reasons for the industry's success, Mr. Hudson said, are the outstanding job of marketing on the part of canners, the steadily improved quality of raw products, and the distribution and merchandising methods in this country.

Mr. Hudson's address on this subject was made September 26 before

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Potato Diversion Program

USDA announced September 21 that it will assist the potato industry in a program to aid in the successful marketing of 1956-crop potatoes. Essential features of the program, similar to those in effect last year, provide that only good quality potatoes will be supplied to commercial markets and that payment will be made for diversion of the remainder to starch, feed, and flour.

The USDA announcement states, in part:

"So that the potato industry might fulfill its marketing responsibilities, the program will be available only in states where the industry develops and submits a satisfactory marketing plan to provide consumers with only the good qualities. Representatives of the potato industry have recommended that in order to qualify for the program, states or areas must withhold from commercial markets all culls and, in addition, 15 percent or more of the potatoes meeting U. S. grade requirements if the planted potato acreage in the state or area is in excess of the Department's acreage-marketing guide. In states or areas where planted potato acreage is within the guide, the withholding provision is recommended to be all culls plus 10 percent of the potatoes meeting U. S. grade requirements."

The program will be operative only during the period of price-depressing surplus, USDA said.

Nelson H. Budd, N.C.A. Information Director, Speaks on Canned Foods Promotion at International Meeting in Rome

"How Canned Foods are Promoted in America" was the subject of a talk given September 26 in Rome by Nelson H. Budd, Director of the N.C.A. Information Division, while on vacation in Italy. Mr. Budd spoke before delegates to the Third International Congress on Canned Foods which was sponsored by the Comite International Permanent de la Conserve, an organization of commercial food canners from nearly 20 nations.

In addition to his talk Mr. Budd showed the new industry film "The Three Squares"; a film strip illustrating the current Consumer and Trade Relations Program; and the color slides of the nuclear tests of canned foods.

Mr. Budd discussed the efforts to promote consumer acceptance and sale of canned foods in the United States in five categories:

(1) Those of individual canners to advertise and publicize their own products, estimated to involve an annual expenditure of $73,305,000.

(2) The N.C.A. Consumer and Trade Relations Program which furthers acceptance of canned foods as a class of foods, but does not promote or advertise brands or specific com-

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Meeting on Carrot Breeding

A special meeting on carrot breeding was held at the University of Wisconsin on September 19. On the invitation of Dr. W. H. Gabelman of the Wisconsin Agricultural Experiment Station carrot breeders from the Idaho, Minnesota, Michigan, Indiana and New York Agricultural Experiment Stations were present to report on their breeding programs.

Invitations were also extended to representatives of seed companies producing carrot seed. The N.C.A. Raw Products Technical Advisory Subcommittee on Special Vegetable Projects was invited to attend and presented industry views on the desirable specifications of a carrot for processing. Members of the Wisconsin Canners Association Raw Products Committee were also on hand for the all-day program.

Food Editors Conference

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homemaker was also demonstrated.

The story of the canning industry, with particular reference to the contribution that canning has made toward an improved consumer diet, was demonstrated by the showing of the new N.C.A. movie "The Three Squares."

One feature of the program was to emphasize to the food editors that for most fruits and vegetables the canning industry has taken over the responsibility for doing the preparatory work in order to give the housewife more opportunity to demonstrate her artistry in the preparation of these foods for the family table. In order to demonstrate the amount of time the canning industry saves the American housewife, the calculation was made as to how many hours it would take women working in their own kitchens to can the corn used each year by the consuming public. A door prize was given to the food editor whose guess was the nearest to the calculated figure.

Dudley-Anderson-Yutzy prepared for this meeting scenery for the stage that portrayed the inside of a kitchen and one of their home economists demonstrated on the stage the corn canning operation throughout the period of the meeting. Most of those participating were surprised to learn that the job would require 484 million hours.

Import and Exchange Controls Limiting Canned Fruit Exports

The extent to which exports of canned fruits and fruit juices are limited by import restrictions abroad is shown in a compilation by the Foreign Agricultural Service of USDA.

The import restrictions are government controls which interfere with normal trade. The countries having import controls justify them as protection for domestic or colonial industries, to preserve currency, or to protect bilateral trading partners.

The FAS lists 32 countries—11 in Europe, 9 in Central America, 7 in South America, and 5 in the Pacific. Of the total, only 10 permit importation of canned fruits without controls of some kind.

The countries having "liberalized" imports of canned fruits are Benelux, Sweden, Switzerland, Cuba, Guatemala, Haiti, Honduras, Mexico, Peru, and Venezuela. Venezuela controls imports of fruit juices; otherwise, the same countries permit unlimited entry of canned fruit juices.

Certain other countries have liberalized imports of canned fruits and fruit juices to the extent that they require import licenses but issue them freely.

In the following tabulation by the FAS is shown the type of import and exchange controls which are currently maintained:

	Canned Fruits	Fruit Juices
Europe:		
Austria	[b]2	[b]2
Denmark	2	2
Eire	3a	3a
Finland	2	2
France	2, 7	2, 7
West Germany	[a]5, 6	5, 6
Norway	[d]2	2
United Kingdom	2, 8	2, 8
Central America:		
Costa Rica	4a	4a
Dominican Republic	3a	3a
Nicaragua	4b	4b
Panama, Republic of	3b	3b
South America:		
Bolivia	2, 4c	2, 4c
Brazil	4a	4a
Colombia	4a	4a
Ecuador	[a]3a, 4b	2
Uruguay	3b, 4a, 5	3b, 4a, 5
Venezuela	.....	2
Pacific:		
Ceylon	3a, 5	3a, 5
Indonesia	3b, 4b	3b, 4b
Malaya	2	[f]2
New Zealand	2	2
Philippine Republic	[a]3b, 5	[a]3b, 5

Import and Exchange Controls:

2 Rigidly controlled; practical prohibition.
3 License required, a freely issued, b arbitrarily issued.
4 Exchange controlled, a multiple rates, b deposit required, c devaluation tax.
5 Quantitative quota.
6 Free dollar tenders.
7 Compensation payment.
8 Imports with aid funds.

Footnotes:

[a]Pineapple, grapefruit and peaches liberalized. [b]Single-strength unsweetened liberalized. [c]Grapefruit liberalized. [d]Pineapple and peaches liberalized. [e]Purees and baby foods only. [f]Industrial concentrates liberalized. [g]Pineapple prohibited.

Pork Purchase under P. L. 480

The USDA has issued to the Republic of Korea an authorization to finance the purchase of up to $8,288,000 worth (including certain ocean transportation costs) of canned pork sausage from U. S. suppliers under Title I of P. L. 480.

The purchase authorization, No. 24-05, provides for the purchase of about 20 million pounds of canned pork products. The agreement was announced in March. Details of the authorization were announced September 20.

Specifications regarding quality and packaging must be submitted to the Standardization Branch, Livestock Division, Agricultural Marketing Service, USDA, for approval before purchases are made. Authorized buyers have not yet been designated by the Republic of Korea, inquiries may be addressed to the Office of Supply, Government of Republic of Korea, Seoul, Korea. Inquiries with respect to the USDA authorization may be directed to the Foreign Trade Programs Division of USDA's Foreign Agricultural Service.

Sales contracts under this program must be made by March 31, 1957, and shipment must be made no later than June 30, 1957.

Vegetables to West Germany

West Germany will admit imports of certain canned vegetables under new, more liberal trade regulations. According to a dispatch from the U. S. Embassy in Bonn, West Germany will admit canned asparagus with or without tips, peas, beans, spinach, peas and carrots mixed, and carrots.

Applications for import license must be filed from September 28 to October 30 and customs clearance must be made by January 10, 1957, according to the dispatch, which was made available by the Foreign Agricultural Service of USDA.

Research Advisory Groups

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Seventeen of the advisory committees are concerned with particular farm commodities, and 8 committees advise on research in specific functional areas. In addition, there is the Agricultural Research Policy Committee, which is concerned with the broader aspects of the USDA research program.

The Fruit and Tree Nut Advisory Committee is scheduled to meet January 22-25, and the Vegetable Advisory Committee February 4-7. Following is the tentative 1956-57 schedule for most of the advisory committee meetings, which are to be held in Washington, D. C., unless otherwise noted:

Oct. 29-31—Food and Nutrition.

Nov. 28-30—Potato.

Dec. 3-5—Home Economics. Dec. 3-5—Rice (Albany, Calif.). Dec. 5-7—Production Economics.

Jan. 14-16—Refrigerated and Frozen Products. Jan. 15-18—Poultry. Jan. 22-25—Deciduous Fruit and Tree Nut. Jan. 28-30—Soils, Water, and Fertilizer. Jan. 30-Feb. 1—Food Distribution.

Feb. 4-7—Vegetable. Feb. 26-March 1—Farm and Home Equipment and Structures (Auburn, Ala.).

March 4-6—Citrus and Subtropical Fruit. March 4-7—Seed (Davis, Calif.). March 6-8—Livestock. March 18-20—Transportation.

Nelson H. Budd

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modities, on which the organization expends $325,000 per year.

(3) The similar but less comprehensive programs conducted by about a dozen of the state and regional canning associations, emphasizing local canning achievements rather than national. These programs total about $70,000 per year.

(4) National promotions of specific canned products by the several commodity associations, amounting to about $7,100,000 annually.

(5) Promotions, involving both advertising and publicity, financed and conducted by the container and closure manufacturers and their trade organizations, which emphasize advantages of canned foods, amounting to approximately $7,500,000 per year.

Altogether the estimated annual total of expenditures of all five categories comes to approximately $88,300,000 or about 2.9 percent of the average annual value of the product at the canner level, Mr. Budd stated.

These programs have the common denominator of extolling the contributions of canned foods to varied and healthful diet, to a betterment of the nation's food economy, and to the high standard of living, he said.

The scientific basis of canning and the constant quality improvement of canned foods provide a basic and authentic source of the numerous publicity and advertising messages disseminated by all of the parties engaged in promotion work, Mr. Budd pointed out.

The 20-fold increase in canned foods production during the 50 years existence of the N.C.A. with its many scientific and professional activities is considered to be a significant parallel. The hostility toward canned foods prevalent when the Association was formed was overcome steadily through the years by improved product resulting from bettered technology along with authentic information to the public.

Mr. Budd's paper included a review of the history and growth of the Association in both directions. It described the current N.C.A. promotion fully and gave summaries and case histories of the promotions by state and regional groups, commodity organizations, and suppliers, detailing the techniques of conveying information to the professional groups that influence public thinking as well as to the press, magazine, radio, and television media.

Other U. S. contributors to the program of the five-day Congress were:

Dr. J. M. Heinen, Manager, Packaging Engineering, Metal Div., Research and Development Dept., Continental Can Company, Inc.—"Current Problems in Canning Technology".

Dr. E. Hess, Technologist in Chief, Fisheries Div., Food and Agriculture Organization of the United Nations—"Fish Canning Technology".

Reminder on Corn Report

In response to questionnaires which have been mailed to all known canners of sweet corn, the Division of Statistics has received reports from many firms that have completed their packs. It is hoped that as soon as its pack is completed, each firm will fill out and return the questionnaire promptly.

Accuracy in reporting pack figures is the objective at all times of the N.C.A. Division of Statistics. This objective can be achieved only by the use of actual reports from individual firms packing the product. The N.C.A. summary report cannot be compiled until the last canner report has been received.

Dr. R. R. Hartwell, Assistant Manager, Research and Technical Dept., Technical Services Div., American Can Company—"Choice of Cans for Various Products".

Dr. C. K. Wilson, Vice President, Food Machinery and Chemical Corporation, Inc.—"Sanitation in Machinery Design and Use".

Prof. R. S. Ingols, Engineering Experiment Station, Georgia Institute of Technology—"Sanitation in the Fruit and Vegetable Canning Industries".

Dr. E. F. Kohman, food consultant, who presided over a session on containers.

Minimum Wage in Puerto Rico

Notice is given in the *Federal Register* of September 27 that the Secretary of Labor has appointed an industry committee which is to investigate conditions and recommend a minimum wage for the canning industry of Puerto Rico.

The industry committee is to recommend "the highest minimum wage rate or rates for the industry which it determines, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry and will not give any industry in Puerto Rico a competitive advantage over any industry in the United States outside of Puerto Rico."

The committee for the food and related products industry is to hold public hearings in San Juan soon after October 22.

Apples and Applesauce Stocks and Shipments

Reports on canners' pack, stocks and shipments of canned apples and applesauce have been issued by the N.C.A. Division of Statistics.

Canned Apples

	1955-56	1956-57
	(basis 6/10)	
Carryover, Aug. 1	1,038,302	988,590
Pack to Sept. 1	14,811	14,551
Supply	1,053,113	1,003,150
Canner stocks, Sept. 1	865,043	*712,224
Shipments during Aug.	188,070	290,926

* Stocks consist of 794,622 actual cases, comprising 459,335 6/10's, 332,511 24/2's, and 2,776 cases of miscellaneous container sizes.

Applesauce

	1955-56	1956-57
	(actual cases)	
Carryover, Aug. 1	2,423,750	1,833,641
Pack to Sept. 1	1,027,950	1,239,270
Supply	3,451,700	3,072,911
Canner stocks, Sept. 1	2,691,189	2,291,597
Shipments during Aug.	820,561	781,314

President Hudson

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a meeting of canners in San Francisco honoring the Minister of Agriculture of West Germany. His talk was enthusiastically received, and the major portion is reproduced here:

In the United States the canning industry is essentially an industry that converts agricultural products from a perishable state that has to be marketed and consumed immediately to a stable commodity that can be marketed and consumed throughout the year; therefore, when we speak of the canning industry we are speaking of a vital segment of our agricultural economy.

One of the essential ingredients of our successful canning industry is continual progress in the development of new products and the improvement of the quality of the products already in the market. This brings us into close alliance with the Agricultural Colleges of our Universities and the Federal and State Departments of Agriculture. We depend on them to do most of the basic research required, and they depend on us to give them our problems and to counsel with them as the work progresses. In all of this, their objective is to aid agriculture.

Realizing that the canning industry is essentially a marketing organization for agricultural products, the universities not only do this work in agricultural research, but in many universities they assist in the marketing research and develop essential statistics to assure a more orderly market that will absorb the maximum tonnages of agricultural output at prices satisfactory to the growers.

It is, of course, basic that the growers of crops for canning are the first essential ingredient of this structure about which we are speaking. They must do a continuously better job and, to do this, they must be financially successful. An examination of the statistics and records will show that over the last 35 or 40 years, the canning industry has each year become a more and more important outlet for growers' crops. On most fruits and vegetables it is a much greater market than the fresh market or the dried market. The frozen market is relatively new and is just beginning to reach maturity. It has also become one of the major markets for growers' crops on several commodities.

I think it is rather easy to see the reasons why the canning industry has attained this important position in the agricultural economy of the United States. I will give only three, which are in my mind the most essential:

(1) The canning industry has done an outstanding job of marketing.

(a) By producing products of higher and higher quality each year;

(b) By selling these products at prices that bring them within the reach of practically every family in the United States;

(c) By continually introducing hundreds of new and attractive products developed through research;

(d) By exciting and creating consumer demand through advertising, educational promotion, eye catching labeling and packaging;

(e) By convincing the buying public that canned foods are not just sanitary and safe—but that they are delicious and wholesome, economical and convenient to use.

(2) The growers of canning crops have produced continuously better quality. One thing that I would like to point out particularly, as there seems to be some confusion on the point in many minds, is that most all of the produce used by canners of fresh fruits and vegetables is grown specifically for canning, and is not a by-product of the fresh market or the dried market. This is important, because I believe that this is the only way that proper quality and costs can be attained. Much of the research work is directed toward improved quality, higher yields per acre and per man hour, and lower production costs. As you can see, these are all essential to the marketing aspects given above.

(3) The distribution and merchandising methods that have developed in the United States have also contributed a major part in this tremendous growth and the consumer acceptance. The self-service store, with its high volume and rapid turnover, has made it possible to buy in large quantities and operate at extremely narrow mark-ups.

The attractive, well-lighted, efficient, strategically located supermarkets create an irresistible demand to try and to buy.

Here, again, we have a factor that contributes substantially to the ever-increasing volume, and thus, to the ability to give the consumer attractive products at attractive prices.

No one has ever been able to decide which came first—the chicken or the egg, and perhaps this is true on which comes first between low prices and high volume.

At least, in the United States, I think it can be safely stated, our economy has been built by setting prices that are based on anticipated high volume. Then to come out whole and make a profit, you are forced to go out and really promote and merchandize and get the anticipated high volume.

To attain this lowest possible cost and attract the maximum volume requires a closely integrated industry consisting of grower, canner, and merchandiser all geared to efficiency and assisted by our Universities and Departments of Agriculture in their research and supporting programs.

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